

# ModernGraham Valuation

Company Name:

Nucor Corporation

Company Ticker NUE

Date of Analysis

12/29/2016



## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$19,010,125,958	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.53	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-45.29%	Fail
6. Moderate PEmg Ratio	PEmg < 20	34.48	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.51	Fail

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	3.53	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.90	Pass
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.76
MG Growth Estimate	2.15%
<b>MG Value</b>	<b>\$22.51</b>
MG Value based on 3% Growth	\$25.49
MG Value based on 0% Growth	\$14.94
Market Implied Growth Rate	12.99%

### MG Opinion

Current Price	\$60.62
% of Intrinsic Value	269.26%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C+</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$2.14
Graham Number	\$34.10
PEmg	34.48
Current Ratio	3.53
PB Ratio	2.51
Current Dividend	\$1.50
Dividend Yield	2.47%
Number of Consecutive Years of Dividend Growth	7

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.13	Next Fiscal Year Estimate	\$1.76
Dec2015	\$1.11	Dec2015	\$1.64
Dec2014	\$2.22	Dec2014	\$1.82
Dec2013	\$1.52	Dec2013	\$1.41
Dec2012	\$1.58	Dec2012	\$1.54
Dec2011	\$2.45	Dec2011	\$1.87
Dec2010	\$0.42	Dec2010	\$2.12
Dec2009	-\$0.94	Dec2009	\$3.30
Dec2008	\$5.98	Dec2008	\$5.23
Dec2007	\$4.94	Dec2007	\$4.47
Dec2006	\$5.68	Dec2006	\$3.76
Dec2005	\$4.15	Dec2005	\$2.45
Dec2004	\$3.50	Dec2004	\$1.44
Dec2003	\$0.20	Dec2003	\$0.45
Dec2002	\$0.52	Dec2002	\$0.60
Dec2001	\$0.36	Dec2001	\$0.67
Dec2000	\$0.95	Dec2000	\$0.81
Dec1999	\$0.70	<b>Balance Sheet Information 9/1/2016</b>	
Dec1998	\$0.75	Total Current Assets	\$6,700,422,000
Dec1997	\$0.84	Total Current Liabilities	\$1,898,487,000
Dec1996	\$0.71	Long-Term Debt	\$4,338,347,000
		Total Assets	\$15,113,679,000
		Intangible Assets	\$2,784,468,000
		Total Liabilities	\$7,386,433,000
		Shares Outstanding (Diluted Average)	320,028,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

### Recommended Reading:

Other ModernGraham posts about the company

- [Nucor Corp Valuation – August 2016 \\$NUE](#)
- [Nucor Corp Valuation – February 2016 Update \\$NUE](#)
- [Nucor Corporation Analysis – September 2015 Update \\$NUE](#)
- [Nucor Corporation Analysis – June 2015 Update \\$NUE](#)
- [23 Companies in the Spotlight This Week – 3/9/15](#)

Other ModernGraham posts about related companies

- [Nucor Corp Valuation – August 2016 \\$NUE](#)
- [United States Steel Corp Valuation – July 2016 \\$X](#)
- [Nucor Corp Valuation – February 2016 Update \\$NUE](#)
- [Allegheny Technologies Inc. Valuation – November 2015 Update \\$ATI](#)
- [Nucor Corporation Analysis – September 2015 Update \\$NUE](#)
- [Cliffs Natural Resources Inc. Analysis – August 2015 Update \\$CLF](#)
- [Nucor Corporation Analysis – June 2015 Update \\$NUE](#)
- [Nucor Corporation Quarterly Valuation – March 2015 \\$NUE](#)
- [United States Steel Corporation Annual Valuation – 2015 \\$X](#)
- [Nucor Corporation Quarterly Valuation – December 2014 \\$NUE](#)